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The AMERICAN OBSERVER

A free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe



VOLUME III, NUMBER 25

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MARCH 5, 1934

Another War Would Take Enormous Toll

Studies Show That Fighting Would Be Directed Mainly Against Civilian Populations

WOULD DESTROY WHOLE CITIES

Combined Air and Gas Attacks Capable of Devastating Vast Areas

Is there to be another war? Recent events in Europe and in the Far East have been so alarming that many believe a new outbreak to be only a matter of time. We are told that Europe is an armed camp and that the nations are being swept swiftly toward another catastrophe. Russia and Japan have been snarling at each other for months. It is reported that they are feverishly preparing for war and that in the spring operations may begin.

Events of the next few weeks or months may serve to diminish or completely dispel these threats of war in the East and in the West. International political situations have a habit of taking sudden and dramatic turns which can play havoc with the most logically drawn prophecies. But even bearing all this in mind, it may still be said that there exist the gravest reasons for uneasiness throughout the world. It would be foolish not to recognize the possibility that war may be the result.

What Would War Mean?

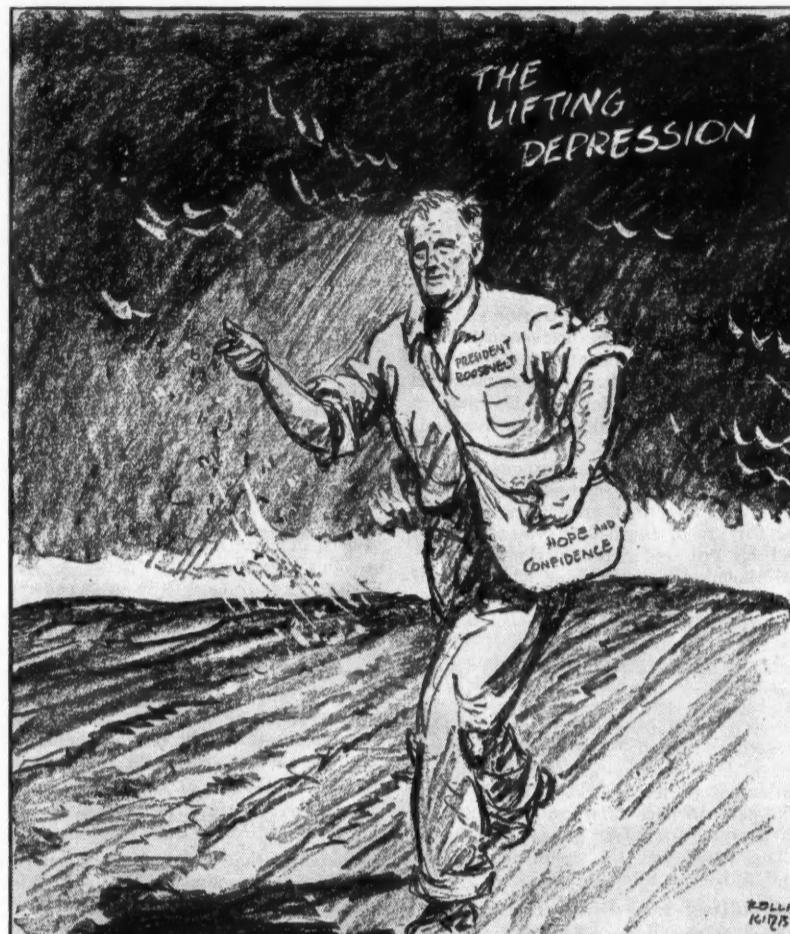
If war should take place what will it be like? This is a question which deserves the closest study on the part of every citizen in the United States. For whether it breaks out in Europe or in the Far East, there will always be the danger of our being drawn into it. In such times, people lose the ability to think calmly. Feelings are aroused, sympathies played upon by skillful propagandists. Intellect gives way to emotion and individuals are prone to slip into the swirling eddies of unreason. A few good slogans such as "Save the World for Democracy!" and a few stirring songs (already we have one called, "There's Something About a Soldier!") are enough to set the masses marching.

The only way to fortify ourselves against such collective madness is to anticipate it and make ourselves aware of certain vital facts beforehand. If we know exactly what a new war is going to mean for the peoples who engage in it we shall be more reluctant to join in the flagwaving, the shouting and the parading which are certain to take place. Let us therefore pose and answer this question: What would be the character of a new war?

Fortunately for our present purpose an exact, scientific answer has been made to this very question. Some time ago a book bearing the same title as our query was published (Smith and Haas). It consists of contributions by eighteen generals, statesmen, scientists and economists in various parts of the world. There can be no doubt as to the accuracy of the statements of these experts. What they have to say is startling, even frightening.

The first and most important fact to be established is that the next war will not be waged as wars have been in the past. The conflict will not be restricted to several areas with armies of men entrenched in

(Concluded on page 6)



—Kirby in N. Y. WORLD-TELEGRAM
"WE HAVE PLOWED THE FURROW AND PLANTED THE GOOD SEED."
—President Roosevelt

The Value of Human Life

There is plenty of evidence that the people of the nation feel deeply about the deaths of army fliers who have been called upon to carry air mail. A disposition of people to care when human life is lost is an indication of civilization and culture. It is a callous thing for one to be heedless of loss of life even though the victims are unknown to him. We need more humanity in our society, and so it is encouraging to note the wave of sympathy which sweeps the nation when word passes over the wires that another flier has lost his life. It is encouraging to note the indignation felt by those who think that such sacrifices might have been prevented.

It is not so encouraging to reflect that most people are stirred by the sacrifice of human life only when the sacrifice is made in some dramatic form. There are thousands of people who feel and express their sympathy when fliers lose their lives and when the news of the crashes is spread on the front pages of the papers. But there are too few expressions of regret when the fact is mentioned that miners have been entombed in the course of their daily work, or that thousands of workers are sacrificed needlessly through preventable industrial accidents. Many people remain callous, though they know that even in times of prosperity thousands are cold and hungry and die of inadequate nutrition. Yet the death of a worker in a mine, the death of someone killed needlessly in traffic, or in an industrial accident, the death of someone who dies from slow starvation, such are as tragic and as heartbreaking as the death of an army flier. Here is another thought: Suppose these army fliers were called upon to go to war rather than to carry the mail. Many, many more of them would be killed than are now being killed in the mail service, and these deaths, too, would be just as tragic.

Yes, it is a good thing that we are grieved and concerned about lives lost in dramatic catastrophe. But those whose education is most complete, whose thinking is most clear and whose sympathies are broadest, will see all these things in perspective and will be concerned about preventable tragedies of every character. Such persons should take the lead in the effort to establish safety and security and peace—those necessary safeguards of human life and human happiness. War, recklessness, greed, injustice—these are the wholesale destroyers of human life. It would be well if tears were more plentiful for their victims, and if anger against their ravages were more universal.

President Roosevelt Ends Year in Office

Period Marked by Willingness to Experiment with New and Untried Methods of Action

PROGRAM HAS TWO OBJECTIVES

Policies Have Been Shaped to Bring Social Reforms as Well as Recovery

In connection with the following analysis of the first year of the Roosevelt administration see on page eight an outline of the more important agencies which have been set up by the administration to further the recovery program, together with a brief statement relative to the work and achievements of each.

The Roosevelt administration has completed its first year, and political writers are making this the occasion to cast up accounts to see what has been done during the year and to determine the direction in which we are traveling. If we should attempt here to make a complete list of all the important legislation which has been enacted and of all the important executive acts, the list would be a very long one. If we should attempt, on the other hand, to pick out a few of the most important acts, we would be upon controversial ground, for it is hard to find agreement as to the relative importance of a number of the administration's policies. Henry Goddard Leach, editor of the *Forum*, gives an interesting interpretation of the outstanding acts of the administration in the March number of his magazine. Here is his sizing up of the big achievements of the year:

Roosevelt Achievements

First, the smashing of the veterans' lobby. Growing out of the Civil War, fattening on the war with Spain, in the years after the World War, the pension racket had become an octopus of billions of tentacles threatening to throttle and emasculate the economic freedom of American life. At the rate we were going, one half the tax burden of the peace-loving American people would in a few years have been required to support in princely pauperdom the widows and derelicts of war. It was Roosevelt who laughed fearlessly at the political expediency and administered the pension lobby a definite checkmate.

Roosevelt's second completed achievement was the repeal of the Eighteenth Amendment. The clamor for repeal had been swelling with the years, and valiant champions had appeared in Mrs. Sabin, President Butler, Al Smith, the late President Hibben of Princeton University, and John D. Rockefeller, Jr. It was generally assumed, however, that to effect repeal would require the patience of a generation. But the swift, smashing leadership of Roosevelt brought us repeal almost overnight.

The third definite achievement of Roosevelt's first year in office is the national condemnation of child labor. For generations social reformers have fought against this relic of barbarism. Twice in recent years they succeeded in passing laws through Congress protecting our child population, but both were declared unconstitutional by the Supreme Court. Great leaders have been arrayed against this principle of reform. On October 1, 1924, not in the South but in the city of Boston, a Cardinal urged all good Catholics to vote against it at the polls. Now the agitation to amend the Constitution to protect children as well as negroes and women is again spreading from state to state. And President Roosevelt by a stroke of the pen has suspended the employment of children throughout the nation during the life of NIRA. Thus is recognized the duty of the family to support the child and, when the family fails, the obligation of the state.

Roosevelt's fourth achievement is our rec-

(Concluded on page 7)

Notes From the News

The Farley-Brown Episode; NRA Views Aired; Communications Supervision Sought; Government Seeks to Expand Foreign Trade

ABIT of humor recently pervaded the serious atmosphere which has hung over the Senate investigation of commercial air mail contracts. Former Postmaster General Walter F. Brown, who appeared before the Senate committee to defend himself against charges that he had awarded air mail contracts in an illegal manner, inferred that he knew something that might change the attitude of his critics. The Senate committee urged him to reveal what he knew. He insisted that he wouldn't, however, since he had promised not to repeat it. Finally one of the committeemen demanded that he no longer withhold the important testimony. The crowd in the committee room was breathless as the big news was about to break.

Just before the climax was reached, Mr. Brown turned to the present postmaster general, James A. Farley, and said: "General Farley, have I your consent to repeat this remark?" Mr. Farley appeared to be in a daze and said he didn't know what remark Mr. Brown was referring to but that he was welcome to repeat any conversation they had had.

At last the big moment had come! Mr. Brown, short of breath, made the momentous announcement. Mr. Farley, he said, had told him that Senator Black, head of the air mail investigating committee, was just a "publicity hound." Mr. Brown's utterance was such a let-down that the crowd broke into an uproar of laughter. Senator Black, the accused "publicity hound," dropped into his chair from overlaughing. Other committeemen joined in. Postmaster Farley denied that he had made such a remark, but the whole incident was so funny that everyone, including Senator Black, seemed delighted that it had occurred.

NRA Convention

Code authorities from every part of the nation are gathered in Washington to attend the convention called by General Johnson. The convention, which is to last a week, opened today. Its purpose is to examine the NRA codes, to review their effects, and to make any changes which may be necessary. It is to be a time for criticism. General Johnson declares he wants any faults in the NRA structure to be exposed now, and has invited the opinions of any citizen who cares to express them. As a preparation for the gathering of code authorities, public meetings for the same purpose of criticism have been held in Washington since February 27. NRA leaders feel that in this way

they can discover their mistakes and set them right.

John J. McGraw

The death of John J. McGraw on February 25 was deeply regretted by baseball lovers throughout the country. That he was one of the greatest figures of modern baseball history, few will deny. For thirty years he managed the New York *Giants*, and under his capable leadership the *Giants* won ten pennants and three world championships.

It is true that McGraw had baseball enemies. He disciplined his teams severely, and friction resulted from certain of his tactics. He grew up at a time when baseball players were "rough and ready." They had to be handled with firmness. As the game grew in popularity and college men migrated to professional baseball fields, McGraw continued to use the same methods which had been grounded into him earlier. However, his enemies were few as compared with his huge following. He was idolized by millions of baseball fans, as well as by most of his players. He was generous and loyal to his friends. He took great pains in teaching the art of baseball to young players, and his grit and determination won him great admiration from those who followed his successful career.

Control of Forests

President Roosevelt has approved an amendment to the lumber code which will for the first time bring the country's privately owned forests under a national conservation program. The president characterized his action as one of the most important steps he has taken in his office. The plan calls for very careful regulations to prevent forest fires, preservation of young trees, and the restocking of the land with trees after cutting.

Logrolling and Lobbying

What is the difference between logrolling and lobbying? These two expressions are frequently confused. Logrolling is said to exist when congressmen bargain with each other in voting on bills. "If you vote for my bill I shall vote for yours," is the principle of logrolling. Lobbying, on the other hand, consists of trying to induce congressmen to enact certain legislation. Special groups or interests engage representatives in Washington. These representatives do most of their work in the lobbies of Congress. They try their utmost to have bills passed favorable to the groups they represent.

Whitney Opposes

Richard Whitney, president of the New York Stock Exchange, recently expressed the readiness of the exchange to submit to federal regulation, but denounced the Fletcher-Rayburn bill now before Congress. He said that the new bill is so severe in its terms of regulation that it would destroy the free and open market for the purchase of stock in the nation's industries. Mr. Whitney suggested that a federal board be established to govern the markets. This board would be composed of government officials and members of stock exchanges.

Senator Fletcher of Florida, chairman of the committee investigating the stock market, replied to Whitney's statement by saying that his plan would not be effective. Senator Fletcher feels that the exchange has proved un-

fit to regulate itself, and that investors must be protected by a strong law. He points out the fact that the officials of the New York exchange did not take action to bring about reforms after the market crash last summer, and he does not believe they can now be depended upon to coöperate in bringing about necessary reforms.

Army Pilots Killed

Six army air corps pilots have given their lives to the air mail service, which was undertaken by the corps recently. They were forced down by snowstorms, and were unable to make parachute landings.

The army pilots are working under handicaps as their planes are not properly equipped. Many of these planes lack radio beacons and other facilities of the commercial air lines. The bad winter weather, of course, has added hardships to the army's new task. Moreover, the army is said to be in need of more experienced fliers to carry on this service. The mail is going through, however, and it is hoped that the necessary equipment and more pilots can be obtained before other lives are sacrificed.

Despite the unfortunate start made by the army air corps, the House of Representatives, on February 24, voted 248 to 81 in favor of the army's continuing the country's air mail service for an emergency period of a year.

Wallace Hits Packers

Charging that ten of the country's largest packing companies have fixed prices and otherwise prevented the government from aiding the farmer, Secretary of Agriculture Wallace has opened warfare against the "middleman" in the packing industry. He has issued an order requiring these companies to defend themselves in a federal court hearing.

Boom Salaries and Bonuses

A 5,400-page report, revealing the fat corporation salaries and bonuses that were paid to executives during boom years, was presented to the Senate a few days ago by the Federal Trade Commission. In many cases the bonuses received by the executives amounted to many times as much as the salaries. For example, President Eugene Grace of the Bethlehem Steel Corporation received in 1929 a salary of \$12,000 and a bonus of \$1,623,753. In 1932 his salary was boosted to \$180,000, but he received no bonus.

The Federal Trade Commission's report, which was requested by a Senate resolution, covered salaries and bonuses paid by 887 corporations. Here are a few of these:

American Machinery and Foundry Company—R. L. Patterson, president, 1929 salary, \$50,000, bonus, \$220,980; 1932 salary, \$42,500, bonus, \$101,262.

American Tobacco Company—G. W. Hill, president, 1929 salary, \$144,500, bonus, \$46,113; 1932 salary, \$120,000, bonus, \$705,607.

Anaconda Copper Company—C. F. Kelly, president, 1929 salary, \$345,000, bonus, \$3,610; 1932 salary, \$249,232, bonus, \$3,438.

Bethlehem Steel Corporation—C. M. Schwab, chairman, 1929 salary, \$150,000, no bonus; 1932 salary, \$250,000, no bonus.

United Aircraft and Transport Corporation—F. B. Rentschler, president, 1929 salary, \$100,008, bonus, \$320,664; 1932 salary, \$192,500, bonus, \$1,290.

International Harvester Company—Alexander Legge, president, 1929 salary, \$50,000, bonus, \$362,860; 1932 salary, \$66,053, bonus, \$795.

Loew's Incorporated—Nicholas M. Schenck, president, 1929 salary, \$92,270, bonus, \$270,202; 1932 salary, \$87,725, bonus, \$133,328.

United States Steel Corporation—My-



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KING LEOPOLD III OF BELGIUM WITH QUEEN ASTRID.
An informal picture of the new king and queen of the Belgians taken at the time of their marriage.

ron C. Taylor, chairman of the board, 1929 salary, \$100,000, bonus, \$109,371; 1932 salary, \$192,575, bonus, \$4,625.

Control of Communications

President Roosevelt sent a special message to Congress last week urging that legislative body to create a federal communications commission to control transmission by telephone, telegraph, wireless and cable. At the outset, the new commission would have only the same authority over communications that the Interstate Commerce Commission now has. However, the commission would make a thorough study of the problem and submit to the next session of Congress suggestions for further legislation. The president's idea is to have separate government bodies to deal with the three groups of public utilities—transportation, power and communication. The I. C. C. would continue its authority over transportation, the Federal Power Commission over power, and the new commission over communications. Plans were immediately under way in Congress to pass the legislation desired by the president.

Veterans' Payments

The troublesome issue of payment to war veterans has come to the fore once again. On February 26, the Senate voted \$60,000,000 of economy act savings back to Spanish war veterans. Thousands of Spanish war veterans who were removed from government pay rolls by the economy act provisions will again receive government compensation if President Roosevelt acquiesces. The president may yield on this item but he has made it unmistakably clear that he will veto the \$2,400,000,000 bonus bill if Congress approves it.

To Expand Foreign Trade

President Roosevelt, after conferring with his foreign trade advisers, last week decided to establish three government banks to finance trade with Russia, Cuba and foreign countries generally. The bank to facilitate trade with Russia has already been chartered and the other two are expected to be shortly. George N. Peek, one of the president's closest advisers on foreign trade matters, has accepted the invitation to head the three banks.

This plan is but a part of a long-range foreign trade program which President Roosevelt has in mind (see THE AMERICAN OBSERVER, February 26, page 1). He has concluded that the government must make definite plans to sell this country's surplus agricultural and other products abroad and in return to accept foreign products of which we have a shortage or which are expensive to produce in this country. In order to carry out this trade program, President Roosevelt plans to send a special message to Congress soon asking for authority to raise or lower existing duties.



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FORMER POSTMASTER GENERAL BROWN
Examining a few checks as he is called up before the
Senate air mail investigation.

Germany: Adolf Hitler is now in a position to make himself king, emperor, or anything he likes in Germany. On February 25, 1,017,000 sub-leaders of the National-Socialist party, solemnly took the following oath: "I swear unwavering loyalty to Adolf Hitler, and unconditional obedience to him and to the leaders designated by him." The occasion for this display of allegiance was the fourteenth anniversary of the birth of the Nazi movement in Munich. With such unified and unquestioning support, Hitler is more than ever master of Germany.

* * *

Austria: As this is written Vienna is filled with rumors of impending developments in the country's acute political situation. It is reported that a detachment of Heimwehr troops is marching to the Swiss border to welcome Archduke Otto, twenty-one-year-old Hapsburg claimant to the Austrian throne. The Hapsburg family was deposed when the Austro-Hungarian empire was broken up after the war. It is now said that the Heimwehr is seeking a restoration and that the movement has the approval of Chancellor Dollfuss. This news is heard in Czechoslovakia with alarm and it is reported that Czech troops are massing near the Austrian border ready to march if a restoration is attempted. The Czechs are afraid of being swallowed up if the old empire is revived.

Another rumor is that Austria will soon come to terms with Germany. The Ger-

man Nazis have apparently abandoned the threatening attitude they assumed when the civil war in Austria ended. At that time Theodor Habicht, German leader of the Austrian Nazis, declared an eight-day truce, promising to intensify the Nazi campaign against Dollfuss at the end of the period unless the Austrian government should decide to coöperate more closely with Germany. At present there are no indications that such severe tactics will be resorted to and it is said that Dollfuss and the Heimwehr leaders have been quietly negotiating with Germany.

* * *

China: Those who have read Pearl Buck's "Good Earth," national best seller and Pulitzer Prize winner, will be interested in the following paragraph reprinted from the *China Weekly Review*:

The application of a group of Metro-Goldwyn-Mayer technicians and cameramen for permission to film in China the "Good Earth" of Mrs. Pearl Buck has been refused by the National Government. The refusal to authorize the filming of the "Good Earth" is based on the ground that the book contains allusions prejudicial to the dignity of the Chinese race.

* * *

Great Britain: The British Blackshirts, Fascist movement led by Sir Oswald Mosley, are becoming too powerful for the comfort of the government, and measures are being studied to ban the wearing of such shirts. It is reported that the British Fascist ranks have been swelling rapidly, especially since the recent con-

version to the cause of Lord Rothermere, owner of an influential chain of newspapers. There are now nearly half a million Blackshirts in England. They are eagerly awaiting the next general election in order that they may show their power.

* * *

Argentina: For some time a League of Nations Committee has been stationed in Buenos Aires working away at the ungrateful task of bringing an end to the Chaco war between Bolivia and Paraguay. It is learned that the committee has drafted a peace treaty which it will seek to have accepted by the two combatants. The proposed treaty, it is reported, calls for the immediate cessation of hostilities, the demilitarization of the Chaco area, the policing of that district by an international force, early demobilization of the armies of both countries, and submission of the entire dispute to arbitration.

* * *

Virgin Islands: President Roosevelt has named an advisory council of seven men, including Secretaries Ickes and Wallace, to aid him in developing a program for the economic and social reconstruction of the Virgin Islands. Acquired during the war from Denmark for a sum of \$25,000,000, the islands were soon deprived of their chief source of revenue—the sale of rum—by the adoption of the prohibition amendment. They continued on the down grade until former President Hoover was moved to characterize them as

an "effective poorhouse," a phrase which aroused considerable indignation both in the Virgin Islands and in this country. But now the islands may look forward to a bright future. The administration is taking active interest in them, and \$1,000,000 has already been advanced from the Public Works fund, for the purpose of developing the rum industry.

* * *

France: The French government is planning a vast program of expansion in its military aviation. During the next three years nearly \$200,000,000 (at the current rate of exchange) will be spent on new airplanes. The decision to build is taken as another indication that France is through talking disarmament with Germany.

* * *

Cuba: There was a riot between two factions of Cuban students last week which differed considerably from the usual outbreaks on that troubled island. The conflict resulted from a decree promulgated by former President Grau San Martin in which he annulled all examination grades given in Cuban schools from 1930 to 1933. This was done because it was charged by a group of students that the grades had been obtained through favoritism while Machado was at the head of the government. But another group of students—consisting of those who had passed the examinations—took issue with the decree. Resentment grew on both sides and rioting broke out.

A LETTER FROM EMBATTLED AUSTRIA

Last week THE AMERICAN OBSERVER carried the story of civil strife in Austria. There was a discussion of the different Austrian factions; the Heimwehr, the Nazis, the Social-Democrats and the Christian Socials. This week we are carrying the story further by presenting in the paragraphs which follow a description of the Austrian situation written by an Austrian the day before the outbreak in Vienna. This Austrian, an artist who lives in the Tyrol district, wrote the letter to the editor of THE AMERICAN OBSERVER on February 10, and the comments which we quote are excerpts from that letter. This correspondent is sympathetic with the Heimwehr, and his bitterness toward the Austrian Nazis would indicate that a union of the Heimwehr and the Nazis will be very difficult, if not impossible, in spite of the fact that both represent forms of Fascism. We are reprinting the excerpts from this letter, not as our own opinion of the situation, but as the view of an intelligent, well-informed and public-spirited Austrian.

"The political war in Austria is going on nicely, and it seems as if the heat would make the war waging spirits almost red hot. It is well known abroad which powers are at work in Austria and what their aims are. Yet it is perhaps interesting to hear particulars and to hear how we feel as citizens and victims.

"We were accustomed to bonfires on the mountains showing the badge of the Nazis. We were used to having our houses and streets smeared with inscriptions after the Nazi party was dissolved. But now things are different and much more serious. There is no doubt that the efforts of the Nazis are aided from Germany by big sums of money and explosives sent for the purpose of making people anxious. But the ultimate object of their activity is much more serious. They aim at the total economic ruin of the country in order to make people believe how bad our government is. The Nazis get lots of small parcels heavily loaded with explosives and at dusk they set to work. Almost every day we hear these 'pop-guns' when dusk falls. German papers report that these are nothing but toy torpedoes,

but really they are loaded with powerful explosives. If laid near a house in the open the result is about a hundred broken windows from the ground floor up to the third or fourth. That is what the German people call toys for the Austrian people. Here in Tyrol there are now four young men who while 'playing' with these 'toys' lost their right hand.

"Further support was given from Munich by broadcast speeches in which former leaders of the Austrian Nazis openly demanded further activities. Thus there is proof enough that even the German government tolerates the activities, or else the radio could not be used for the purpose of supporting the Nazi revolution in Austria. Mr. Hitler delivered a speech in the Reichstag yesterday in which he tried to make people believe that Germany does

not take part in the Nazi movement in Austria. In view of the facts, this sounds much like a good joke.

"It is a matter of fact that the activity of the Nazis does not make them friends among the honest people, and a number of those who perhaps some time ago would have tolerated the party and their ideas have now changed their minds. And it is no wonder if one considers the effects this underground revolution, or civil war, has had on civil life. The hotel industry, and commerce in general, has suffered heavily from the disquieted political atmosphere, to say nothing of the added cost to the government for police reinforcement. At last the people grew furious against the peace-breakers. When the Nazis said that the Tyrol would be handed over to Mr. Hitler, the Tyrolese peasants, most of whom are

members of the Heimwehr, took arms and marched toward the capital. The joined forces of the Heimwehr, about 2,000 men under arms, then demanded decisive action against the Nazis. They demanded the dissolution of the Socialist party and also the Christian Social party, which together formerly dominated the Austrian government and the different state governments. If they succeed in having this brought about, the old dream of the Heimwehr, some kind of a Fascist non-party system, will be realized.

"But one thing is sure enough, that there is at last to be an end to Nazi terrorism. The leaders are sent to a concentration camp, and prominent Nazis must pay for their own keep and for the keep of the Heimwehr troops and police reinforcement cost. The treatment of the traitors was mild enough when the Nazis began their campaign, but now at last they have learned that there is a great part of the population which does not like being treated with bombs and arguments of this sort. The way the Nazis are being treated is just, considering the harm which has been done to the country by their actions.

"And much of the trouble results from the impudent propaganda from Germany. They tell people lies—it is a shame indeed. For example, people are told that there are only Nazis in Austria, except for the police authorities and officials who are bound not to be Nazis. Today it was reported from Vienna that from the country near Vienna more than 100,000 peasants came to the capital as a demonstration of their approval of an Austrian government under the leadership of Chancellor Dollfuss. It is our hope that the significance of these events will be understood and that the fighting will cease. The country is poor and cannot stand much trouble of this kind. So it is our desire that the better and greater part of the population will unite in the efforts to reorganize the economic and civil life of Austria."



A MARTIAL ASPECT IN ONCE GAY VIENNA

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LEGAL ABSURDITIES

It is a well-known and universally admitted fact that there is more crime in the United States in proportion to the population than in any other civilized nation. It is also conceded on all hands that the faulty administration of justice in this country is in part responsible for failure to punish criminals and for crime itself. In certain states of our union the performances of the courts measure fairly well in comparison with the conduct of courts in other countries. In some of our states, on the other hand, the administration of justice is something near a farce. The reform of the courts is a very great need and it has been demanded by many eminent jurists. A leader in this demand for better courts and surer and quicker justice was William H. Taft, former president of the United States and former chief justice of the United States Supreme Court.

The failure of justice sometimes comes through the freeing of criminals on absurd technicalities. Men convicted of serious crimes have been turned loose, not because it was found that there was material error in the trying of their cases, but because some wholly unimportant rule was not followed. Sometimes a word left by accident out of the indictment has resulted in the throwing out of the case and the freeing of the criminal, even though the omission of the word could have had no possible effect upon the decision.

Here is an instance reported in the press last week, of a miscarriage of justice on account of a foolish technicality. A law in Illinois requires that "twenty-three veniremen shall be called for grand jury service" in the formation of a grand jury which is to indict suspected persons. It has been the custom in that state to call a larger number for examination. Out of this larger number, usually sixty, twenty-three are chosen and sworn as jurors. A short time ago the attorneys of a man convicted of robbery appealed his case and demanded that he be set free on the ground that the grand jury which indicted him had not been legally called and that therefore the indictment was not legal. The state supreme court sustained this appeal and it was reported that the man would be freed.

Consideration was even given to the opinion that this decision would result automatically in the freeing of hundreds of other persons who had been indicted by grand juries as this particular prisoner had been. If that should be done it would, of course, be a serious and dangerous outrage against justice. Even if the decision results in nothing more than the freeing of one man who had been convicted, this decision will stand as an illustration of stupid folly on the part of judges.

This was not a case where a decision leading to the freeing of convicted persons was required by the plain reading of the law. It would seem that any man with common sense and with a desire only to further the cause of justice would have interpreted the law to mean that twenty-three veniremen should be selected. To throw cases out and turn convicted persons loose because sixty men had been called before the court, previous to the selection of the twenty-three, is nothing short of folly.

It is that sort of folly, that sort of stupidity, which has brought our courts into disrepute. A people capable of anger at any sort of misgovernment should be angry about this. They should be so angry that they will take action. Our legal procedure could be, and should be, so amended that a case may be thrown out of court because of error in procedure only if the error is of a material sort and is of a nature to suggest that it might reasonably have affected the result of the trial. Here certainly is a problem upon which patriotic citizens should work.

TO AN AUSTRIAN FRIEND

On page three of this paper you will find excerpts from a letter written by an Austrian, living in the Tyrol, to the editor of THE AMERICAN OBSERVER. After having read this letter you may be interested in the reply sent by the editor to his Austrian friend. The following paragraphs are taken from the reply:

I can easily understand the anger felt by the Austrian people at the tactics of the Nazis. I can see how they might rise in wrath as a result of the bombings and the intimidation. I can see how they might be stirred into opposition at this threat which comes from Germany—a threat to the independence of Austria and to the freedom of the Austrian people. I can even see how in the face of this danger they might turn to any party which seems to be strong enough to offer effective resistance to the Nazis.

What I cannot see so clearly is how the Austrian people expect to better their condition materially by throwing themselves into the arms of another brand of Fascism. I cannot see how the Heimwehr differs materially from the Nazis. We know that the success of the Nazis would mean the domination of Austria by Germany, but would not the success of the Heimwehr mean the domination of Austria by Italy? And does not the Heimwehr stand for the suppression of democracy, the suppression of human rights, just as the Nazis do?

I had hoped that there might be not only an independent Austria, but a humane Austria, an Austria governed by those who are interested in bettering the lot of human beings. I have looked to the Social-Democrats with hope, because it has seemed to me that the Social-Democratic government of Vienna had a program which provided that the people should be better housed and that their living standards should be raised. I have been very much interested in the success of their experiments looking toward the bettering of human conditions. I was therefore very sorry when they were deprived of power and persecuted by the joint action of the Heimwehr and Chancellor Dollfuss. From my standpoint, then, the struggle in Austria lost its essential meaning when the Social-Democrats were outlawed. I can see how an Austrian might look toward the Heimwehr rather than the Nazis, if he believed that Austrian independence were more seriously threatened by Germany than by Italy. But what hope now has the Austrian who is interested, not in independence for its own sake, but in independence maintained for the purpose of raising the standards of living in Austria and of preserving democracy and freedom?

Perhaps I am mistaken in some of my conclusions. I am several thousand miles from Austria and do not know the facts as you do. I have learned not to jump too quickly at conclusions without examining facts very closely. Many times I have seen foreigners arrive at false notions about America because they were unacquainted with American facts. If my facts relative to the Austrian situation are at fault, I will depend upon you to set me right, for my correspondence with you has led me to give great weight to your judgments.

Criticism Wanted

The New York *World-Telegram* greets with enthusiasm General Johnson's announcement that criticism of the NRA is desired at the series of public hearings now being held in Washington:

General Johnson invites the country to the first round-up in Washington next week for hard riding of the NRA and all its works. He wants criticism. He will get it. And, on that basis, he promises to make any reasonable revisions in the codes covering 500 industries at the technical hearings which are to follow the public free-for-all.

It is a novel idea. No other governmental agency has ever quite equalled this gesture. And it strikes us as very effective just because it is more than a gesture. It is sincere. No man would be fool enough to invite such criticism in such a forum if he were insincerely trying to trick the public. For obviously an official open forum of this kind cannot be kept in a strait-jacket.

We are among those who have been critical at times of the General and the NRA. But we have not been deeply disturbed, largely because the NRA was operating frankly as an experiment in which the General and others openly admitted their mistakes and tried to learn by experience. That is the only method by which NRA or any other form of national planning can possibly succeed.

Romance of Railroading

The Baltimore *Sun* reviews the visit of President Roosevelt to the new streamlined train, and discovers that the romance of railroading is not yet dead:

President Roosevelt is said to have been as interested as a boy in the streamlined train which the Union Pacific Railroad has brought East for an exhibition trip. To judge by the long lines of visitors who waited patiently in the cold yesterday at the Pennsylvania Station for a glimpse of the new equipment, the President's enthusiasm does not stand alone.

This is the age of motor cars and airplanes. The railroads



FOREIGN NEWS!

—Brown in N. Y. HERALD-TRIBUNE

are fighting a defensive battle for passenger business with more recently invented modes of travel. But the romantic aura with which the train was invested in the era in which it was the one great agency for the annihilation of distances on the land has not entirely disappeared. And when the train alters its form and reorganizes its motive power in preparation for an intensified competition with the automobile and the plane, we are intensely interested in its adventures. We wish to know into what it is going to evolve, or if, indeed, it is going to evolve at all.

Sound Economy

How much economy, and what kind, is needed in our governmental units? Here is an answer to that important question, made by the forward-looking governor of the state of New York, Herbert Lehman, in a radio address for the Committee on Education:

Public officials must seek every sound avenue of economy, but the economy should not be at the expense of essential services of humane and progressive government.

No government can jeopardize the health, morals, protection or safety of its citizens. No state can afford to destroy or weaken labor standards which have been built up so laboriously through the sacrifice and vision of forward-looking men and women.

No community can disregard its responsibility to its dependent children, its sick or maimed or helpless aged. No community can disregard the responsibility which it owes itself and civilization in the education of its children.

New York Evening Post

Many people feel that New York City newspapers need an infusion of new blood among their editorial writers. They think editorial opinion is not progressive enough nor decisive enough. Consequently the announcement that Ernest Gruening, former editor of *The Nation*, is to become the new editor of the *New York Evening Post* has been approved on all sides. For the reasons, read the comment of the *St. Louis Post-Dispatch*:

In Dr. Ernest Gruening, just announced as editor of the *New York Evening Post*, J. David Stern, the new publisher of that historic newspaper, has a fighting editor of his own kind. A Harvard-trained physician who turned to newspaper work in Boston before the war, Dr. Gruening is one of American journalism's outstanding progressives. He is an authority on public utility tactics and Mexican, Central American and Caribbean affairs. His work as managing editor of *The Nation* during the years of President Harding, and more recently as a member of its editorial board, has been an important factor in making that liberal weekly a leading influence for social progress and political reform. In 1927, he went to Portland, Me., as editor of the struggling *Evening News* of that city and began a bitter, uphill fight to break the stranglehold of the power interests on the state of Maine. His brave little paper stuck it out, and its story is one that belongs in the history of journalism in this country. New York will know that it has an editorial page under Ernest Gruening's direction.

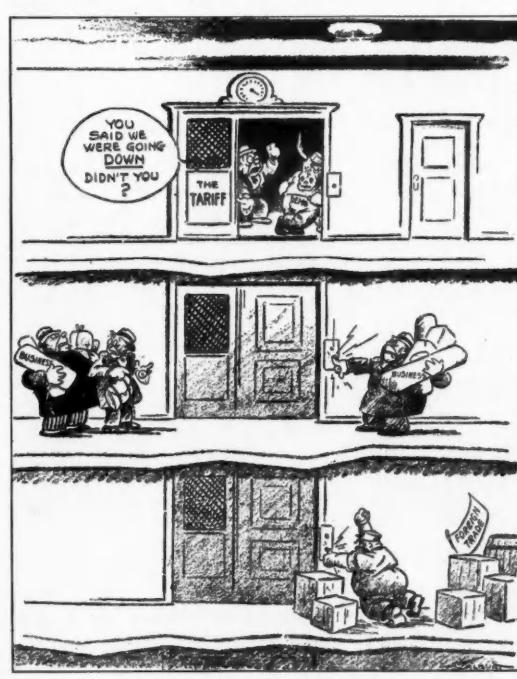
It is said that foreigners just love a London fog. We do not quite know what they see in it. —PUNCH

New traffic lights in New York are designed "to give the pedestrian a chance for his life." Every day more and more obstacles are put in the way of the motorists' enjoyment. —SOUTHERN LUMBERMAN

How to win a war? There is only one way. Stay out of it. —Birmingham News

It has always been a race between education and catastrophe. —H. G. Wells

The frontier is gone. We've got to make our fight for economic justice right where we stand. —Senator Joseph O'Mahoney



SUSPENDED ANIMATION

—Talbert in Washington News

WITH AUTHORS AND EDITORS

We read old books for their excellence, but new ones to share in the mental life of our time.—SATURDAY REVIEW OF LITERATURE.

Our Foreign Relations

"The United States in World Affairs in 1933," prepared by William O. Scroggs and the Research Staff of the Council on Foreign Relations under the editorship of Walter Lippmann. New York: Harpers. \$3.

THIS is the third of a series of annual surveys of the outstanding domestic and international developments. Those who are familiar with the other two books appreciate the comprehensive and readable nature of the work done by these experts. No important development of the year is overlooked and at the same time there is a unity of treatment which enables one to grasp the significance of the events in their entirety.

The volume for 1933—which is brought up to January 1, 1934—is of unusual interest because of the magnitude of the problems which the United States was obliged to face. The intensification of nationalism throughout the world; the abandonment of economic theories and practices of long duration; the failure of the World Economic Conference; the recovery program—these are but a few of the topics treated in detail by the authors of this book.

In his introduction, Walter Lippmann voices the belief that President Roosevelt took over the presidency without a clear and definite conception of domestic or foreign policy. But as problems arose, decisions had to be made which little by little resulted in a clearly defined program of economic recovery and reconstruction. By reading this analysis, one is made to see just how each decision has fitted into the general pattern. In so far as it is possible to write history while it is still in the making these annual surveys have succeeded eminently.

A Way Out?

"Permanent Prosperity and How to Get It," by John Bauer and Nathaniel Gold. New York: Harpers. \$2.75.

IF ONE is seeking within the covers of this book the outline of a program which will solve the paradox of want and plenty existing side by side, which will stamp out the evil of unemployment with which the nation was confronted even before the debacle of 1929, which will insure to all the people a decent and comfortable standard of living, and finally, which will bring that thing for which we are all striving—economic security,—he will, we fear, be sadly disappointed.

The authors of this book have, we believe, indulged in that rather prevalent, but none the less dangerous, practice of oversimplifying the problems which beset the nation today. That does not mean, of course, that their book is valueless and unworthy of serious consideration. Quite the contrary. Much of what they say should be read and reread by everyone who is interested in bringing to America conditions which will make possible a richer and a happier and a more secure way of living. For they do place their fingers upon vital spots in the economic machinery which have broken down and which are in need of drastic overhauling.

It is significant, we think, that these authors call attention to the fact that a higher standard of living for the American people as a whole will be possible only by increased production of the goods which satisfy human needs and wants. They point to the danger of embarking upon policies designed to limit

the total output of goods, stating that such a course will inevitably lead to a lowering of the standards of living.

Boiled down, their main proposals for permanent prosperity are as follows: The government should at all times shape its policy in such a way as to take up the slack of employment by a program of public works. The size of this will depend upon conditions in private business. When unemployment exists in private industry, the government should step in and give jobs to all those out of work. Along with this, the government must sooner or later take over or nationalize all the banks of the country in order to produce stability, control prices and credit, and regulate purchasing power.

Early Greek Life

"Everyday Life in Ancient Greece," by C. E. Robinson. New York: Oxford University Press. \$1.50.

NOT only is it interesting but it is vitally important to study the manner in which ancient peoples lived; how they conducted themselves; the problems with which they were confronted; how they met these problems; their enjoyments; their hardships. Such a knowledge helps one to look at contemporary problems in perspective and to examine wherein mankind has succeeded or failed in making progress toward a fuller and richer life.

Mr. Robinson's volume presents a vivid picture of the fine civilization established by the ancient people who settled in southern Europe a number of centuries before Christ. This period, of course, is largely a matter of speculation. However, zealous archaeologists are constantly at work digging up traces of those ancient people.

Although giving a background of the entire period, Mr. Robinson's book is largely devoted to the city-states of Sparta and Athens. It tells how the Spartans became such powerful physical specimens and it then contrasts the Spartans with the Athenians, who probably carried out true democratic procedure in government to a greater extent than the people of any democratic country today.

By popularizing a subject that has been too often made dull and by reducing history to human terms, Mr. Robinson has made a splendid contribution. His book, some 150 odd pages long, should be widely read.

Before and After Hitler

"German Family," by L. C. N. Stone. Indianapolis: Bobbs-Merrill. \$2.50.

A NOVEL of this type has two distinct advantages. In the first place, it is an excellent story—a story which holds the attention of the reader to the very end, having a captivating plot and a thorough analysis of character. But more than that, it is a story of one of the greatest tragedies of modern times, the persecution of Jews in Germany by the Hitler régime. In the main, it is this second characteristic which overshadows the other and which makes the book stand out as an important literary offering.

Mr. Stone has laid his story in the Germany of the post-war era, from 1919 to 1933. At the close of the war, Elizabeth Carrington, an English widow, marries a German and she and her two children move to Cologne on the Rhine. From that point, the story unfolds with ever-increasing intensity. The friends and relatives of the husband come upon the scene. Romance is introduced with the marriage of her daughter to a German writer of the first water. During the first part of the book, all goes well with the "German Family."

But as the years pass, there are rumblings of an impending storm, for one hears of a certain Austrian upstart, Adolf Hitler, who is rallying the youth of the country to his banner of anti-Semitism and ultra-nationalism. And the characters are, for the most part, Jewish. It is the last part of the book, that which covers the year 1933, which cannot fail to stir the most calloused of readers. What the advent of Hitler meant in terms of human lives is portrayed with striking force. True, this is not a pleasant book to read. But neither are the events which it dramatizes agreeable to countenance. For one who would grasp the deep significance and the tragedy of what has been happening in Germany during the last year, this novel affords an excellent key.

* * *

Sinclair Lewis' latest novel, "Work of Art," has replaced Hervey Allen's "Anthony Adverse" as the national best seller. The weekly sales of the Lewis novel outstripped those of "Anthony Adverse" late in February, after the latter had held the first place on the list for many months. At the same time, a play based on one of Mr. Lewis' earlier novels, "Dodsworth," opened on Broadway. Versions of two

other Sinclair Lewis novels—"Main Street" and "Elmer Gantry"—had previously been produced on the New York stage.

* * *

"Is It a New Deal?" is the question which Abraham Epstein, author of a recent book called "Insecurity: A Challenge to America," sets out to answer in the March *Current History*. Mr. Epstein's answer is unequivocally in the negative. He analyzes one by one the major features of the recovery program and shows how they do not, in his opinion, alter conditions in such a way as to lay the basis for permanent prosperity. "There can be no ques-



THE PARTHENON

(From "Everyday Life in Ancient Greece.")

tion," writes Mr. Epstein, "about the administration's sincere desire to bring about an improvement in our social structure. But there is nothing revolutionary or fundamentally radical in its industrial program; at best it follows the precepts of American liberalism. Because it has not adopted any of the fundamental radical means whereby the basic cause of our social evils—the gap between productive capacity and consumptive inadequacy—will be bridged, no really vital or lasting benefits can be expected."

* * *

"The World As I See It," is to be the title of a new book by Professor Albert Einstein which Covici, Friede Company will publish late this spring or in the fall. It is to cover a number of subjects, some of them scientific and others political, social and economic in nature. There will be explanations of many of the German scientists' theories. Professor Einstein completed the book last summer in Belgium and the publishers received part of the manuscript late in February. Since the advent of Hitler, Professor Einstein has been an exile from Germany and has lived in Belgium. His political philosophy is opposed to everything for which the National-Socialists stand.

* * *

A new publishing venture was inaugurated with the publication, on February 26, of the first titles in the "White Oak Library" series of the W. W. Norton Company of New York. This series will specialize in books devoted to American literature and culture. The books will be chosen from the lists of all publishers and will include only such books as have won the approbation of outstanding critical authorities and, having found favor with a large group of readers, have proved their right to remain permanently in print.

The average thickness of the "White Oak" books is $\frac{3}{4}$ inch, and this, together with the thin paper on which they are printed, makes them notably pleasant to carry and to read. The cloth bindings are executed in attractive two-color combinations stamped in gold.

The first four titles issued in the "White Oak Library" are: "Art in America," by Suzanne LaFollette, "The Golden Day" and "Sticks and Stones" by Lewis Mumford, and "The Meaning of a Liberal Education" by Everett Dean Martin. Other volumes are in preparation.



AS THE UNITED STATES WENT TO THE WORLD ECONOMIC CONFERENCE—A MAJOR INCIDENT IN ITS FOREIGN RELATIONS DURING 1933
Part of the American delegation: Left to right: Senator Key Pittman, Secretary of State Cordell Hull, Representative Sam D. McReynolds and Mr. Ralph Morrison of Texas.



REFUGEES

What a New War Would Mean

(Concluded from page 1, column 1)

fortified positions, each seeking to dislodge and drive back the other. Trench warfare, infantry battles and other such devices of warfare will not be as effective as they once were.

Influence of Machines

The developments of the machine age have made this form of fighting impractical. At least three potent weapons, which were used widely only in the latter stages of the World War, have completely changed all ideas of war. These weapons are the airplane, the armed tank, and poison gas or other forms of chemical warfare. It is useless to line men up in trenches to oppose an attack of tanks which can travel at the rate of forty-five miles an hour. It would be the rankest stupidity to send them charging into batteries of machine guns capable of mowing them down as blades of grass topple before a lawn mower. All this would be not only a waste of men but a waste of time.

The next war, instead, will be fought, at the front, with tanks and artillery. These will be manned by smaller divisions of men highly skilled in the use of intricate machinery. Armies on wheels will move rapidly and will seek to surprise and crush the enemy. The infantry will be used to follow up the machine attack in order to consolidate territorial gains.

But this will be only one phase of the war and scarcely the most important. The next war will be fought behind the lines rather than along a battle front. The greatest effort will be directed toward demolishing the enemy power's industrial resources. For a nation's fighting strength lies not only in its armies but in its factories and mines and agricultural districts. In former times the only way of exhausting these sinews of war was to push an army of men to strategic centers or to sap

a country's vitality by prolonged fighting. But now, quicker and readier methods are available.

The principal agent is the airplane. We know how fast and how far the modern plane can travel and the destruction it can wreak on a city. If we need further evidence we have this testimony from one of our eighteen experts who writes about airplanes as follows:

Their destructive power is enormous. It is a hundred times greater than it was during the World War. Also large-scale air attacks can now be carried out in a fraction of the time needed in the World War to drop a few tons of explosives here and there. No passive system of defense will be sufficient to protect industrial, economic and, least of all, administrative centers. Something may perhaps escape destruction like safes when a bank is burnt down. In some cases air attacks may be rendered less disastrous by means of a carefully prepared system of decentralization combined with well-organized transport facilities. Certain countries have built extensive habitable constructions which provide good protection from air raids upon a large scale. But in every country, even the best armed, plenty of vulnerable points are still to be found, upon which explosives can be dropped, completely disorganizing the country and demoralizing the people.

Even this account does not fully set forth the potential power of the airplane. Imagine a fleet of two hundred planes, flying in perfect formation, without a single man in any of them! They are radio-controlled by perhaps ten men flying in planes much higher up and out of reach of anti-aircraft guns. "Each of these two hundred machines," we are told, "would be nothing more than a flying projectile—a true aerial torpedo—which will explode on impact with the ground, or be exploded by a wireless wave released by the airmen directing them."

We have not yet considered chemical warfare. The technique of killing men by

poison gas and disease has advanced considerably since the war. During the last war, gas was not used to a great degree against the civilian population, but now air forces are trained to carry out gas attacks on a large scale. We read in a report of the Preparatory Disarmament Commission of the League of Nations:

There is every reason to believe that, in a future war, aircraft would be much more numerous than in the last and they would be able to carry much heavier weights. However reprehensible such an action might be, there would be nothing technically to prevent them dropping large bombs filled with some heavy gas over localities essential to the political or economic life of an enemy country. The gas to be employed would not necessarily be one which only disables human beings for a time, since the object would be to hamper or destroy some continuous activity aimed at by the attack. Mustard gas, for instance, dropped in large quantities would be likely to hang about the cities and slowly penetrate the houses.

The gases which will be used are so deadly and their presence so difficult to determine that a tremendous number of deaths could not be avoided. And even if gas masks could be distributed to the entire population they would not prove wholly effective, for some gases attack the skin and no clothing capable of warding them off has been discovered. The mustard gas, referred to above, is one of these. We are told that, "like most other poison gases, mustard gas is not strictly speaking a gas. It is really a liquid with a high boiling point, which has to be scattered through the air in a fine spray. Its weight causes it to fall to the ground, covering it and all objects with which it comes into contact with an invisible and imperceptible layer. Like the bacteria of plague or cholera, or some other infectious substance which cannot be detected by the naked eye, it lies in wait for its victims, sticks to

the soles or the clothing of anyone who passes, and is thus unconsciously brought into houses or dugouts. In the warmth of a room or dugout the poison is vaporized and mixes unnoticed with the air which is being breathed. It clings undiscovered to all living tissue, including the resistant outer skin . . ."

Civilian Populations

We need pursue the subject no more to show that civilians will bear the brunt of any new war. Quick and terrible destruction will be spread over wide areas. We quote another of our eighteen authors:

If war breaks out . . . both sides will immediately begin to make air-raids upon the important towns, industrial centers and lines of communication of the enemy. This phase of the war will produce the greatest panic and will be characterized by the utmost barbarity. All moral principles, all education and discipline will be forgotten. Each individual person in the attacked area will only have one idea—to save himself and his family at all costs. The instinct of self-preservation will involuntarily oust all other emotions, and human existence will degenerate into wild chaos.

Such will be the war of the future. If there is any hope it is that it will be so destructive and so expensive that nations will become quickly exhausted and be forced to give up the combat. England could not fight if London were wiped out in the space of one night. The same is true of France, or Germany, or Japan. It might also happen that the civilian population would be likely to become so demoralized that order could not be maintained. Civil war might break out behind the lines and force an end to military operations. But by this time the great damage will have been done. Cities will have been laid waste and countless defenseless men, women and children killed. Civilization itself might not survive the ordeal.



COMBATANTS

(The illustrations on this page are from "The First World War" by Laurence Stallings. Simon & Schuster.)

The First Year of Roosevelt

(Concluded from page 1, column 4)

ognition of the USSR. For fifteen years our political differences have defied every attempt to bring our governments into speaking terms. It remained for Roosevelt and his keen trading acumen to find a way through the barrier and to restore the free flow of commerce and culture between a great communist and a great capitalist state.

Roosevelt's fifth significant performance is also in the realm of foreign affairs. His new policy for the Western Hemisphere continentalizes the Monroe Doctrine. Secretary of State Cordell Hull has returned with honor from the conference at Montevideo. "The definite policy of the United States from now on," declared the president to the Woodrow Wilson Foundation, "is one opposed to armed intervention. . . . It is only if and when the failure of orderly processes affects the other nations of the continent that it becomes their concern; and the point to stress is that in such event it becomes the joint concern of a whole continent in which we are neighbors."

A New Spirit

Let us turn our attention now from particular events of the year, or particular acts of the administration, and undertake rather to determine the general character of the Roosevelt program and to see where it marks a departure from previous governmental policies. At the top of our list of Roosevelt characteristics we would place the disposition to adopt new and hitherto untried policies. This new spirit of the administration made itself felt at the very beginning. The previous administration, that of Mr. Hoover, had worked honestly and faithfully to combat the depression. It had taken many steps which were aimed in that direction. But it had done nothing new or startling or sensational. It had adopted no dramatic courses. In its policy of conservatism and caution it may have been wise, or it may have been unwise. Time alone will tell. But the war against the depression had not been carried on in such a way as to capture the imagination of the public or in such a way as to inspire the people with hope. And day by day, week by week, the country—like the other countries of the world—was sinking more deeply in depression, and despair rather than hope possessed the hearts of men and women everywhere.

President Roosevelt acted in a different spirit. He did startling things. He seized new weapons in the war on deepening depression. He took the country off the gold standard. He adopted controls over industry never before known in time of peace. He also assumed power such as a president had not before held in time of peace. He announced broad national policies such as the plan for the development of the Tennessee Valley; such as the encouragement of housing on a great scale; such as the employment of millions of men by the government itself.

We cannot say definitely and conclusively at present whether all these policies will turn out to be good or not. As in the case of President Hoover's acts, final judgment on the Roosevelt policies must be left to the verdict of history. It is a fact, however, that when the people saw the president fighting back at the depression vigorously and unrestrainedly, with dramatic zeal and with new weapons, they took hope. A new spirit animated the people, and it has been maintained throughout the year. This new tone, this disposition to be experimental on a grand scale in carrying on the effort for better times, is an outstanding feature of the year's record.

Creating Purchasing Power

The second fact which we would note about the Roosevelt policies is that taken together they represent increased attention to the development of purchasing power. The administration has not hesitated to put buying power into the hands of the people of the nation. The theory is that good times will come back only when people can buy more goods. So, the government is borrowing money and is placing this money into the hands of millions. Through the activities of the NRA it is undertaking to raise wages. Through the Agricultural Adjustment Administration it

is putting millions and millions of dollars into the hands of farmers. The government is paying farmers to hold part of their land out of production. The money is coming out of the pockets of consumers over the country. Through the Public Works Administration, the Civil Works Administration, the Civilian Conservation Corps, and through the RFC loans the government is getting the money out among the people so that they may buy things. This policy, of course, cannot con-

Another policy of the administration stands out in bold relief. It is undertaking to control the level of prices by manipulating the currency. It has changed the value of the dollar in terms of gold with the thought that such action will raise prices of goods. The administration hopes by controlling, and if necessary changing, the gold content of the dollar to keep prices of goods from fluctuating rapidly in the future. This is a policy of very great importance. The action along this line

is controlling the agricultural industry. It is supervising housing. It is planning to move hundreds of thousands of families to different parts of the country and to new occupations. All this work of planning is, of course, in the early stages. But the administration is clearly trying to create conditions under which employment shall be more stable, under which the distribution of wealth may be more even, and under which the people may be better fed and housed without such long hours of work.

Some Results

Partly as a result of increased employment by the government, and partly as a result of reviving private business, unemployment has been cut down during the year by about one-third. That is, of course, a remarkable record. But how permanent the improvement is to be cannot yet be determined. The government is now cutting down its activity in certain fields. It is gradually tapering off employment by the Civil Works Administration. It is doing this in the hope that private industry will expand during the spring so as to take on as many workers, or nearly as many, as the government is now employing in the CWA. How well private business succeeds in taking up this slack is a question which the future must answer. That will be one of the big problems of the second year of the Roosevelt administration. There are certain industries which are still badly depressed. The private construction industry is one. Mining is another. The machine industries are others. Before prosperity returns on a sound basis these industries must revive. And so at the opening of a second year of the Roosevelt administration eyes are turned anxiously toward these industries.

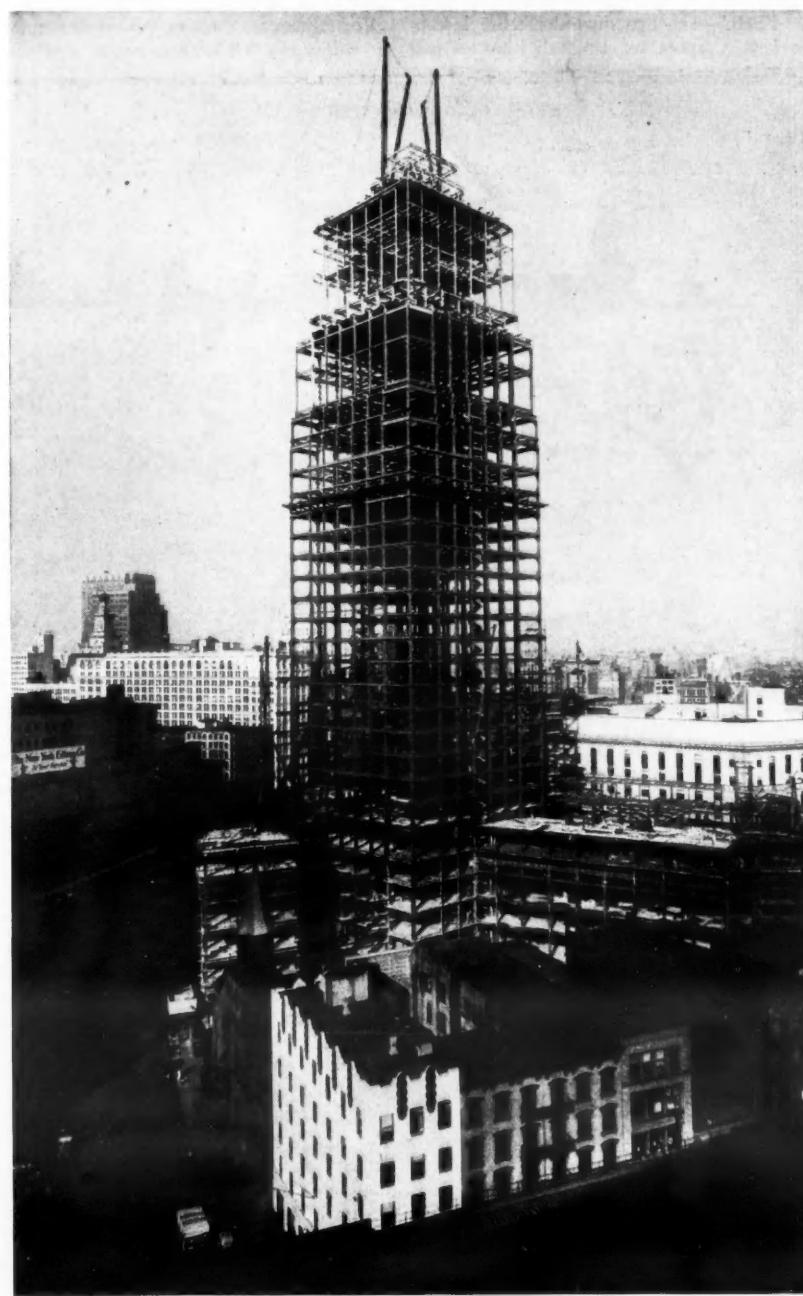
Uncompleted Tasks

Other big problems remain before the administration. Will the attempt to raise agricultural prices by cutting down production on the farms work successfully? Will the government have to give up its attempt to secure this curtailing of production by voluntary means? Will it undertake to cut down farm acreage by compulsion? Another question which must be answered during the next year or two is: Can the Roosevelt administration balance the budget as it hopes to do, so that it may be able to stop borrowing money? If it cannot do that, it may be obliged to pay some of its bills by printing money—by inflation. Inflation would, of course, cause a rapid rise of prices, and it would affect the people deeply.

Certain other problems have been left to the future. While the government, by decisive action, reopened the banks, placed them fairly securely on their feet, and helped the closed banks to make payments to depositors, no complete reorganization of the banking system has been effected. The banking problem is left for future consideration.

The Roosevelt administration has not formulated a foreign trade policy. Will it maintain high tariffs, thus discouraging imports? If it does, exports will also be discouraged, for our people cannot sell to foreigners if they do not buy from them. Whether the Roosevelt administration will undertake then to develop foreign trade by reducing tariffs or whether it will undertake to place the country in a position to "go it alone" is yet undetermined.

The Roosevelt administration has left the most important problems of foreign policy for future action. It has made no radical departure from the policy of recent administrations with respect to Japan and the Far East, to disarmament, to the enforcement of the Paris Pact outlawing war, or the World Court. It has, however, adopted a policy of non-intervention in Latin America and this is important. If a disturbance breaks out anywhere, our government will seek the cooperation of other American powers instead of acting alone.



© Acme

THE RENEWAL OF BUILDING ACTIVITY IS ONE OF THE MAJOR OBJECTIVES OF THE ADMINISTRATION.

tinue forever. The government cannot continue to borrow year after year and put the money out so that the people may make purchases with it. But it is hoped that this governmental spending will "prime the pump" and give private industries a push which they can continue with their own power. Governmental spending to create purchasing power has never been tried on this scale before.

Closely allied with the characteristic which we have just named; that is, the disposition to spend money and thus create purchasing power, there is another tendency. The government is assuming new responsibilities and is entering into work of a sort which it has not done before, at least not on such a grand scale. It is assuming responsibility for direct relief to the needy. It is assuming a responsibility for improving housing conditions through the encouragement of better housing. It is exerting a greater influence over business.

taken by the administration is history-making in its significance.

For National Planning

Still another outstanding feature of the New Deal program should be noted. The Roosevelt administration is planning to do more than merely to get the country out of the depression. It is undertaking not only recovery but also reform. It is looking in the direction of national planning. The government is to take an active part in shaping the course of industrial progress. According to the Roosevelt theory, it should exert an influence in determining the kind of civilization we are to have. It is undertaking to find out how much the people of the country need of different kinds of products. It is undertaking to say how much of certain kinds of goods shall be produced. It is developing a great region in the Tennessee Valley. It is doing this according to predetermined plan. It



The National Capital Week by Week



A Record of the Government in Action



The Roosevelt Alphabet

The following brief explanation of the most important recovery agencies is intended to supplement the article on page 1, providing an up-to-date review of the first year of the Roosevelt administration. This is not the complete alphabet, which includes more than fifty organizations, but the ones listed show how President Roosevelt thinks "recovery" should be spelled.

AAA—The Agricultural Adjustment Administration has paid and is paying farmers for reducing output, in order to raise farm prices and balance present consumption with production. This is done by collecting processing taxes on wheat, cotton, corn, hogs, tobacco, and other commodities, and giving the money to farmers in exchange for contracts limiting the amounts they produce; total payments to date include \$45,318,000 to wheat farmers, \$112,129,000 for cotton, \$35,000,000 for hogs, \$1,546,000 for tobacco.

CCC—The Civilian Conservation Corps has given healthful outdoor work to 330,000 young men, most of whose pay goes to their needy families; they have provided tree and plant disease control on 1,675,000 acres, erosion control on 450,000 acres, tree planting on 79,000 acres, and have constructed 10,000 miles of truck trails in the forests, 5,000 miles of telephone lines, and more than 1,000 lookout towers and shelters.

FCA—The Farm Credit Administration lends money on farm mortgages, so that farmers can keep their farms and have a longer time to pay their debts; since May 1, 1933, the FCA has made 132,242 loans totaling \$338,573,000.

FCOT—The Federal Coordinator of Transportation, Mr. Joseph B. Eastman, heads the office which works out plans for economical operation of railroads, bus lines, air lines, etc.

FDIC—The Federal Deposit Insurance Corporation has established a system under which bank deposits of \$2,500 or less are guaranteed and will be paid even when a bank fails; 13,686 banks are included in the system, which began operation on January 1; none of these banks has failed since that time.

FEHC—The Federal Emergency Housing Corporation is a division of the PWA; it has \$100,000,000 to lend for slum clearance and housing projects, which have been approved in twenty cities.

FERA—The Federal Emergency Relief Administration carries on relief for the unemployed, both directly and by lending money to the various states; between May 22, 1933, and February 1, 1934, the FERA spent \$425,247,000, of which \$385,000,000 went for general relief, \$9,300,000 for relief of transients, \$5,800,000 for the emergency education program, and \$25,200,000 through the FSRC, described below. The above figures do not include the costs of the CWA.

CWA—The Civil Works Administration put more than 4,000,000 men and women to work between November 15 and February 15. Half of that number had been

on relief rolls, and all of them were previously unemployed. The average wage paid was \$15 a week; believing that the CWA can be discontinued by May 1 or shortly after that date, the administration is reducing the number of workers each week. The CWA helped this great number of people through a hard winter, giving them work relief on various local projects instead of outright relief payments.

FHSC—The Federal Subsistence Homesteads Corporation is a division of the

NRA—The National Recovery Administration was organized to unite American industry through codes of fair competition, which outline trade practices, minimum wages, working hours, and other agreements. Its aim is to make partners in recovery of employers, laborers, consumers, and the government. So far 300 codes covering nearly all the large industries have been adopted, with several hundred others now under consideration.

Under the NRA, there are several other

alphabet, for it was established while Mr. Hoover was president. The RFC has lent billions of dollars to banks, railroads, insurance companies, and city and state governments, to aid them in fighting the depression and paying their debts.

TVA—The Tennessee Valley Authority has laid out a great regional plan for the Tennessee Valley, under which the enormous water power facilities of that area, including Muscle Shoals, are being developed, and through which its industrial growth may be carefully governed. The TVA power plan will serve as a yardstick to measure electricity prices and policies throughout the United States. A large number of CCC men have been working in the Tennessee Valley for months; construction of a giant reservoir dam—Norris Dam—has gone forward rapidly, and is now two months ahead of schedule; power from Muscle Shoals, the great dam and power plant on the Tennessee River in northern Alabama, is being sold to municipal electric companies at very low rates.

New Deal Bibliography

The following references furnish a wealth of critical opinion of the New Deal. Some are for it, some turn thumbs down, all are worth reading.

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The Planned Use of the Land, by Rexford G. Tugwell. *Today*, January 20, 1934, pp. 6-7, 23-24.

Planning in the Tennessee Valley. *Current History*, September, 1933, pp. 663-668.

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"THERE WAS AN OLD WOMAN WHO LIVED IN A SHOE—" BUT IN THIS CASE IT SEEMS THAT SHE KNOWS WHAT TO DO.

PWA. It builds homesteads where needy industrial workers may own small homes and a few acres of land to raise their own food supply. Projects in twenty-five communities have been approved and are under way; they will give homesteads to 3,100 workers who are expected to pay for them over a period of years.

FSRC—The Federal Surplus Relief Corporation is a division of the FERA. It buys surplus food and fuel and distributes it to the unemployed through the relief administrations of the states. For example, the FSRC bought and distributed in the month of January 129,000,000 pounds of foodstuffs (salt pork, canned beef, butter, cheese, flour, beans, dried apples, and cereals), 5,000,000 bushels of feed for livestock, 277,000 tons of coal, and 236,000 blankets.

HOLC—The Home Owners' Loan Corporation lends money on home mortgages to people living in towns and cities; it has made 85,093 loans totaling \$242,520,000, with the average loan amounting to \$2,850.

Something to Think About

1. What, if any, great achievements stand to the credit of President Roosevelt during his first year? What, if any, great mistakes has the president made, in your opinion?

2. Do you agree with all of the conclusions of the editor of *Forum*? State why, or why not, in the case of each.

3. Do you agree with the description of the characteristics of the Roosevelt administration as outlined in the main body of THE AMERICAN OBSERVER article? Why, or why not? What would you add, if you were telling in your own words how the Roosevelt policies differ from those of preceding administrations?

4. All things considered, would you, or would you not, be willing at this time to give President Roosevelt a vote of confidence?

5. If there were to be another war, how would it probably differ in character from the last war? Would it result in greater losses of life or property? Would it affect civilian populations more dangerously?

6. Do you think it probable that the next war, if it comes, will cause a greater disorganization of industry than the last war did? Some people think that another general war would put civilization as we know it in real peril. Do you agree with that conclusion?

7. What do you learn about the Austrian civil strife by reading the letter from the Austrian artist? Do you agree with the opinions expressed by the editor of THE AMERICAN OBSERVER in his letter "To an Austrian Friend"?

8. How may justice be thwarted because judges pay too much attention to technicalities rather than to broad principles of justice? How can the people of a state guard themselves against, or prevent, unjust decisions based upon technicalities?

9. List as many of the "alphabetic agencies" as you can and tell a little about the purpose of each.

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PRONUNCIATIONS: Tyrol (tir'ol-i as in hit), Habicht (ha'bicht-a as in art, i as in hit).

